** 9 JEC 1950

Dear General Marshall:

Thank you for your letter of 1h December, 1950, concerning the National Intelligence Europys. I am pleased to learn that steps will be taken to substantially increase the number of personnel devoted to this activity in the military intelligence services. I recognize that it is preferable to integrate these individuals with the present intelligence staffs. The importance of maintaining the production of these services on a regular basis I believe cannot be overstressed.

Withfully,

State 1

WALLER B. SMITH

General George C. Marshall The Secretary of Defense Gashington, D.C.

LBKirkpatrick:rm 22 Dec 50 Distribution

Orig. & 1 cc - Addressee

2 - Signing Official

1 - A/Asst. Dir. Intelligence Coordination, w/basic

1 - Originator,

L - Central Records

SECRET Approved For Release 2003/07/10 : CIA-RD=80R01731R003400150006-7

THE SECRETARY OF DEFENSE WASHINGTON

14 877 350

Dear General Smith:

Reference is made to Admiral Hillenkoetter's memorandum of 22 August 1950, subject: NIS Program, concerning the production of National Intelligence Surveys in accordance with appropriate instructions of the National Security Council. This memorandum recommended the establishment within the Army, Navy and Air Force intelligence components of separate groups having fixed personnel ceilings and fiscal support, enabling them to provide continuous assistance in this connection.

It is recognized that the number of personnel devoted to this activity by the Army, Navy and Air Force must be substantially increased. A thorough review of your proposal by the Department of Defense indicates, however, that it would be neither practical nor economical for such personnel to be employed as a separate group. Accordingly, I have directed the military Services to integrate them with present intelligence staffs, although their working time would be devoted primarily to the production of National Intelligence Surveys.

The Department of Defense recognizes the importance of maintaining the production of National Intelligence Surveys on a regular basis, undiminished by fluctuations in the world situation which result in heavy demands upon its intelligence agencies.

Faithfully yours,

Lt. General W. Bedell Smith Director, Central Intelligence Agency Washington 25, D. C.